

## § 358.16

bearer coupons, the depository institution is deemed to agree to this debit.

### **§ 358.16 Are BECCS and CUBES accounts maintained separately from the STRIPS program?**

BECCS and CUBES accounts are maintained separately from accounts maintained in Treasury's STRIPS (Separate Trading of Registered Interest and Principal of Securities) program.

### **§ 358.17 Can BECCS and CUBES securities be reconstituted to physical form?**

After bearer corpora and detached bearer coupons have been converted to book-entry form, reconversion to physical form is prohibited. The reconstitution of a BECCS security with CUBES securities or any combination of Treasury obligations is prohibited.

### **§ 358.18 What limitations exist on liability?**

(a) Except as otherwise provided by regulation, circular, or written agreement, any fiscal agent designated to act on our behalf is liable for its action or omission only if it failed to exercise ordinary care.

(b) We do not assume any responsibility to any party except the sending and receiving depository institutions involved in a BECCS or CUBES transaction.

(c) We do not assume any responsibility in connection with a BECCS or CUBES transaction for the insolvency, neglect, misconduct, mistake, or default of another bank or person, including the immediate participants.

### **§ 358.19 Who is responsible for any loss resulting from the conversion of a bearer corpus missing callable coupons?**

The submitting depository institution shall indemnify the United States against any loss resulting from the conversion of a bearer corpus that is missing one or more associated callable coupons.

### **§ 358.20 Can these regulations be waived?**

We reserve the right to waive or modify any provision of the regulations in this part for the convenience of the

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United States or to relieve any person of unnecessary hardship, if such action is not inconsistent with law, does not impair existing rights, and does not subject the United States to any substantial expense or liability.

### **§ 358.21 Can these regulations be amended?**

We may at any time supplement, amend, or revise the regulations in this part.

## **PART 359—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES I**

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Sec.

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AUTHORITY: 5 U.S.C. 301; 12 U.S.C. 391; 31 U.S.C. 3105.

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#### Subpart A—General Information

##### § 359.0 What does this part cover?

This part is the offering of United States Savings Bonds of Series I (referred to as Series I bonds or bonds) for sale to the people of the United States by the Secretary of the Treasury (Secretary). This offer was effective September 1, 1998, and will continue until terminated by the Secretary.

##### § 359.1 What regulations govern Series I savings bonds?

(a) The regulations in 31 CFR part 360 apply to definitive (paper) Series I savings bonds that have not been converted to book-entry bonds through New Treasury Direct.

(b) The regulations in 31 CFR part 363 apply to:

(1) book-entry Series I savings bonds that were originally issued as book-entry bonds in New Treasury Direct; and

(2) definitive Series I savings bonds that have been converted to book-entry bonds through New Treasury Direct.